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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/801,615	03/08/2001	Benjamin Andrew Himmel	AUS920000849US1	5325

35525 7590 09/10/2004

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EXAMINER

POND, ROBERT M

ART UNIT PAPER NUMBER

3625

DATE MAILED: 09/10/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

**Application No.**

09/801,615

**Applicant(s)**

HIMMEL ET AL.

**Examiner**

Robert M. Pond

**Art Unit**

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NW

– The MAILING DATE of this communication appears on the cover sheet with the correspondence address –

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 01 June 2004.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1,3-13,15,17,19-29,31 and 33-42 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1,3-13,15,17,19-29,31 and 33-42 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 01 June 2004 is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.
- ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date \_\_\_\_\_.
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: \_\_\_\_\_.

## **DETAILED ACTION**

### ***Response to Amendment***

The Applicant canceled Claims 2, 14, 16, 18, 30, 32, and 43, and amended Claims 1, 8, 9, 13, 15, 17, 24, 25, 29, 31, 41, and 42. All pending claims (1, 3-13, 15, 17, 19-29, 31, and 33-42) were examined in this non-final Office Action.

### ***Response to Arguments***

#### **Objection to Abstract**

The Applicant amended the abstract to comprise less than 150 words to overcome the objection. Objection is withdrawn.

#### **Objection to Drawings**

The Applicant corrected Figure 3 by deleting reference sign 332 to overcome the objection. Objection is withdrawn.

#### **Rejection under 35 USC 101**

Rejection of Claims 31 and 33-42 under 35 USC 101 is withdrawn.

New grounds of rejection under 35 USC 101 regarding Claims 1, 4-12, and 15 are cited below. Regarding Claims 1, 4-12, and 15, the invention as claimed provides no practical application in the technological arts as set forth in the prior Office Action. In *Bowman*, the board affirmed the rejection under U.S.C. 101 as being directed to non-statutory subject matter. The Board held that the disclosed and claimed invention is directed merely to a human making mental

computations and manually plotting results on a paper chart, and thus is nothing more than an abstract idea which is not tied to any technological art and is not a useful art as contemplated by the Constitution (Ex parte Bowman, 61 USPQ2d 1665, 1671). Even though Bowman is not precedential, Bowman is referenced for its analysis of whether the claims are in the technological arts.

Rejection under 35 USC 102

Applicant's arguments filed 01 June 2004 have been fully considered but they are not persuasive. The Applicant argues Barni does not teach a second electronic business creating a second priced object in response to a first electronic business' first priced object.

Barni brings carriers, freight forwarders, and end customers together in an open electronic commerce forum. To better understand the method of Barni, the Applicant is requested to focus on Figures 4-12. Barni depicts Evergreen's (an electronic business) published rates (first priced objects) (e.g. 7,000 or 6,950 for a 40-foot containers to ship on 5/31/99) for a shipping lane from N.Y. USA to Manila, Philippines (see at least col. 5, lines 15-50). Two carriers service this shipping lane, Evergreen and Sea Land (an electronic business) (see at least col. 5, lines 51-67). Sea Lands' published rates (first priced objects) for 40-foot containers is 7,500 or 8,000 to ship on 6/12/999 (please see Fig. 4 (52, 54, 60, 66 (6,950))).

The buyer can accept a published rate or post a bid. As highlighted in Figure 4, the buyer is accepting Evergreen's published rate of 6,950 for 40-foot containers to ship on 5/31/99 (see Fig. 5 (80, 82, 84, 86, 88); col. 6, lines 1-18).

As depicted in Figure 6, seller and buyers can view and accept cargo bids, and sellers and buyers can create and post cargo bids (see Fig. 6 (90, 92, 94, and 96). For instance, the buyer (can be an electronic business) creates a bid of 5,000 (second priced object having received first priced objects) for a quantity of 10 40-foot containers to ship on 6/12/99 for the shipping lane from N.Y. USA to Manila, Philippines and posts the bid (see Fig. 7 (98, 100, 104, 110). The buyer's bid is posted on the Buyer's Bids Auction Block for the shipping lane from N.Y. USA to Manila, Philippines (see Fig. 8 (112, 114, 122 (5,000))). Two bids have been posted for this shipping lane (please note: two bids can be from same buyer or two different buyers) and any seller can accept one or both posted buyer bids (see at least col. 6, lines 45-65). In response to a buyer's posted bid of 5,000 for 10 containers, any seller can accept the offer by selecting the buyer's anonymous bid (as highlighted), entering an identification number, and clicking the icon to accept the bid on the buyer's terms (see Fig. 9 (112, 114, 134, 132,136). Since this is an open forum, all sellers and buyers are receiving the same postings from N.Y. USA to Manila, Philippines- for illustrative purposes, Evergreen or Sea Land can accept this particular buyer bid.

As depicted in Figure 10, any seller can create and post a bid for the shipping lane from N.Y. USA to Manila, Philippines. The seller having received first price

objects based on published rates creates a second priced object by posting a bid on 4/30/99 for 4 40-foot containers at a rate of 7,250 to ship on 5/31/99 (see Fig. 10 (138, 140, 142, 144, 146, 156, 163). This second priced object was created by a first electronic business, or second electronic business, or any electronic business acting as a seller. The open forum bidding process can create third, fourth, fifth-priced objects, etc. until a bid is accepted or terminated.

Based on the explanations taken directly from the drawings and supporting disclosure, Barni's open electronic commerce forum teaches first electronic businesses creating first priced objects and second electronic businesses creating second priced objects having received the first priced objects.

***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

- 1. Claims 1, 4-12, and 15 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.**

The claims are directed to a process that does nothing more than manipulate an abstract idea. Mere recitation in the preamble (i.e., intended use) or mere implication of employing a machine or article of manufacture to perform some or all of the recited steps does not confer statutory subject matter to an otherwise abstract idea. There is no practical application in the technological arts to support the core invention. For subject matter to be statutory, the claimed process must be limited to a practical application of the abstract idea or mathematical algorithm in the technological arts. See *In re Alappat* 33 F.3d at 1543, 31 USPQ2d at 1556-57 (quoting *Diamond V. Diehr*, 450 U.S. at 192, 209 USPQ at 10). A claim is limited to a practical application when the method, as claimed, produces a concrete, tangible and useful result: i.e. the method recites a step or act of producing something that is concrete, tangible and useful. See *AT&T v. Excel Communications Inc.*, 172 F.3d at 1358, 50 USPQ2d at 1452. The claimed invention must utilize technology in a non-trivial manner. The board affirmed the rejection under U.S.C. 101 as being directed to non-statutory subject matter. The Board held that the disclosed and claimed invention is directed merely to a

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human making mental computations and manually plotting results on a paper chart, and thus is nothing more than an abstract idea which is not tied to any technological art and is not a useful art as contemplated by the Constitution (Ex parte Bowman, 61 USPQ2d 1665, 1671). Even though Bowman is not precedential, Bowman is cited for its analysis of whether the claims are in the technological arts.



***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

**2. Claims 1, 3-13, and 15 are rejected under 35 USC 102(e) as being anticipated by Barni et al. (Paper #2, patent number 6,064,981).**

Barni et al. teach all the limitations of Claims 1, 3-13, and 15. For example, Barni et al. disclose a method for identifying an item for purchase to a buyer, using the online service to identify competitive prices (e.g. one or more competing businesses) for an item (e.g. a unit of cargo space), and sellers competing for the customer's business by openly viewing competing offers (see at least abstract: col. 1, line 7 through col. 2, line 38). Barni et al. further disclose:

- Receiving a selection of an item for sale: users selecting items from a web site; central system receiving a selection of a selected item (unit of cargo space) for sale by an entity desiring to purchase the item (see at least col. 1, lines 8-61; col. 5, lines 15-30).
- Generating a priced object: first electronic system provides sale item(s) (see at least col. 5, lines 15-30); document or other object formatted according to HTML (see at least col. 1, lines 36-41).

- Providing the priced object: central system provides priced object to a second system (see at least Fig. 2 (32); Fig. 4 (66); col. 4, lines 15-41).
- Storing priced object: central system stores priced objects in a database of item information (see at least col. 6, lines 7-17).
- Generating priced object using one of a: using web browsers, links, plug-ins, and servlets (see at least col. 3, lines 49-65).
- Second electronic system modifies priced object: an open bidding forum permits one or more online sellers of cargo space to view a competitor's bid, adjusts terms of sale, and post their modified bids for consumer comparison shopping (see at least Fig. 6 (90-96); Fig. 7 (98-110); Fig. 8 (116-130); col. 6, lines 19-65).
- Encrypting priced object: security protocols, Secure Socket Layer (please note encryption is inherent in SSL) (see at least col. 3, lines 44-47).

**3. Claims 17 and 19-29 are rejected under 35 USC 102(e) as being anticipated by Barni et al. (Paper #2, patent number 6,064,981).**

Barni et al. teach all the limitations of Claims 17 and 19-29. For example, Barni et al. disclose a system with means for identifying an item for purchase to a buyer, using the online service to identify competitive prices (e.g. one or more competing businesses) for an item (e.g. a unit of cargo space), and sellers competing for the customer's business by openly view competing offers (see at least abstract: col. 1, line 7 through col. 2, line 38). Barni et al. disclose a central

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server and client systems connected via the Internet, web browser user interfaces, database storage, and security protocols (see at least abstract; Fig. 1 (10-28); Fig. 2 (30-38); col. 3, line 10 through col. 4, line 41; col. 6, lines 7-17).

Barni et al. further disclose:

- Receiving a selection of an item for sale: users selecting items for sale  
central system receives selection of a selected item (unit of cargo space)  
for sale by an entity desiring to purchase the item (see at least col. 1, lines 8-61; col. 5, lines 15-30).
- Generating a priced object: first electronic system provides sale item(s)  
(see at least col. 5, lines 15-30); document or other object formatted  
according to HTML (see at least col. 1, lines 36-41).
- Providing the priced object: central system provides priced object to a  
second system (see at least Fig. 2 (32); Fig. 4 (66); col. 4, lines 15-41).
- Storing priced object: central system stores priced objects in a database of  
item information (see at least col. 6, lines 7-17).
- Generating priced object using one of a: web browsers, links, plug-ins,  
and servlets (see at least col. 3, lines 49-65).
- Second electronic system modifies priced object: an open bidding forum  
permits one or more online sellers of cargo space to view a competitor's  
bid, adjusts terms of sale, and post their modified bids for consumer  
comparison shopping (see at least Fig. 6 (90-96); Fig. 7 (98-110); Fig. 8  
(116-130); col. 6, lines 19-65).

- Encrypting priced object: security protocols, Secure Socket Layer (please note encryption is inherent in SSL) (see at least col. 3, lines 44-47).

**4. Claims 31 and 33-42 are rejected under 35 USC 102(e) as being anticipated by Barni et al. (Paper #2, patent number 6,064,981).**

Barni et al. teach all the limitations of Claims 31 and 33-42. For example, Barni et al. disclose a software program executed on computers for identifying an item for purchase to a buyer, using the online service to identify competitive prices (e.g. one or more competing businesses) for an item (e.g. a unit of cargo space), and sellers competing for the customer's business by openly view competing offers (see at least abstract: col. 1, line 7 through col. 2, line 38). Barni et al. disclose a central server and client systems connected via the Internet, web browser user interfaces, database storage, and security protocols (see at least abstract; Fig. 1 (10-28); Fig. 2 (30-38); col. 3, line 10 through col. 4, line 41; col. 6, lines 7-17). Barni et al. further disclose:

- Receiving a selection of an item for sale: users selecting an item for sale; central system receives selection of a selected item (unit of cargo space) for sale by an entity desiring to purchase the item (see at least col. 1, lines 8-61; col. 5, lines 15-30).
- Generating a priced object: first electronic system provides sale item(s) (see at least col. 5, lines 15-30); document or other object formatted according to HTML (see at least col. 1, lines 36-41).

- *Providing the priced object:* central system provides priced object to a second system (see at least Fig. 2 (32); Fig. 4 (66); col. 4, lines 15-41).
- *Storing priced object:* central system stores priced objects in a database of item information (see at least col. 6, lines 7-17).
- *Generating priced object using one of a:* web browsers, links, plug-ins, and servlets (see at least col. 3, lines 49-65).
- *Second electronic system modifies priced object:* an open bidding forum permits one or more online sellers of cargo space to view a competitor's bid, adjusts terms of sale, and post their modified bids for consumer comparison shopping (see at least Fig. 6 (90-96); Fig. 7 (98-110); Fig. 8 (116-130); col. 6, lines 19-65).
- *Encrypting priced object:* security protocols, Secure Socket Layer (please note encryption is inherent in SSL) (see at least col. 3, lines 44-47).

***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

- US 5,253,165 (Leiseca et al.) 12 October 1993; teaches first and second priced objects between buyers and sellers, sellers serving as first or second businesses using electronic commerce systems.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to **Mr. Robert M. Pond** whose telephone number is 703-605-4253. The examiner can normally be reached Monday-Friday, 8:30AM-5:30PM Eastern.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, **Mr. Vincent Millin** can be reached on 703-308-1065.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the **Receptionist** whose telephone number is **703-308-1113**.

Any response to this action should be mailed to:

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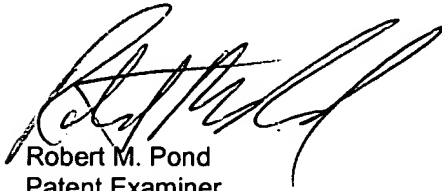
***Washington D.C. 20231***

or faxed to:

**703-872-9306** (Official communications; including After Final communications labeled "Box AF")

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Hand delivered responses should be brought to Crystal Park 5, 2451 Crystal  
Drive, Arlington, VA, 7<sup>th</sup> floor receptionist.

A handwritten signature in black ink, appearing to read 'R. M. Pond', is written over the printed name.

Robert M. Pond  
Patent Examiner  
September 7, 2004